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LABOR SERVICES

Archer Daniels Midland Company 1251 Beaver Channel Parkway Clinton, IA 52732 T 563.242.1121

VIA PRIORITY MAIL - OVERNIGHT DAY DELIVERY

Michael A. Mauro Labor Commissioner Iowa Workforce Development 1000 East Grand Avenue Des Moines, Iowa 50319-0209

Jens Nissen, Administrator Iowa Division of Labor Services Occupational Safety and Health Bureau 1000 East Grand Avenue Des Moines, Iowa 50319

Date: December 21st 2017

Re: May 21, 2009 Variance Order for ADM - Clinton

Request for IOSHA to Modify Variance Pursuant to IAC 875-5.10(1)

Dear Commissioner Mauro and Mr. Nissen:

As you know, by Order dated May 21, 2009, Archer Daniels Midland Company's ("ADM") Corn Processing Division located at 1251 Beaver Channel Parkway in Clinton, Iowa was granted a Variance from the IOSHA standard 1910.303(g)(1)(i)(A). See Attachment A. Among the conditions of approval were the following actions items with scheduled deadlines:

- 1. Remove or reconstruct all MCCs listed in Appendix A within 10 years of the Order.
- 2. Install insulating sheeting and a nonconductive fiberglass covering for the MCCs listed in Appendix A within 3 months of the Order.



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- 3. Install insulating sheeting and a nonconductive fiberglass covering for the MCCs listed in Appendix B within 9 months of the Order.
- 4. Remove or reconstruct all MCCs listed in Appendix C within 4 years of the Order.

ADM has fully complied with conditions 2, 3, and 4¹. ADM has made significant headway on condition 1 by removing or reconstructing 21 of the 35 MCCs in Appendix A. 6 MCCs (green highlight) are currently underway. 2 MCCs (blue highlight) have plans approved. 6 MCCs (grey highlight) are being planned. All of these remaining MCCs are scheduled to be completed by the 10-year deadline (*i.e.* by May 21, 2019).

Appendix A: MCCs Requiring Insulating Blanket – Variance Required										
127 F	132 D	90 2D	90 2B	5 M	68 A	P 1				
69 M	23 F	24 D	24 C	24 E	24 B	24 F				
24 Λ	86 F	86 C	86 HH	86 H	86 J	86 A				
501 C	69 N, O, P	96 J	96 K	56 E	56 K	5 H				
8 SS	7 V	7 VV	7 F	7 E	7 D	5 K				
MCCs 24D, 24C, 24E, 24B, 24F and 24A scheduled for completion in 2018										
MCCs 96J and 96K scheduled for 2018 Q4										
MCCs 8SS, 7V, 7VV, 7F, 7E and 7D are in the planning phase for 2018/2019										

However, ADM has recently approved an asset funding expenditure to build a new milling department. This project will be a state-of-the art design to replace the nearly 100 year-old existing facility. Construction has begun and will be completed in 2023. As part of this project, many MCCs will be eliminated, including the 6 MCCs, highlighted in grey above, that are scheduled to be reconstructed by the May 21, 2019 deadline.

The cost to reconstruct the 6 MCCs, highlighted grey above, by the May 21, 2019 deadline will be in excess of \$550,000. Because these 6 MCCs will be eliminated by 2023 as part of the new milling department construction, ADM is requesting that IOSHA, pursuant to IAC 875-5.10(1), extend the variance for these 6 MCCs only² to the end of 2023, by which time the new milling department will be completed and all of the MCCs in Appendix A, including the remaining 6 MCCs at issue, will be eliminated. Currently, we have relocated approximately 65%

¹ Please note that ADM is also in compliance with the other conditions of the May 21, 2009 Variance, and to date has spent \$2,865,142 on completed variance items, \$3,090,089 on variance items in-progress, and plans to spend an additional \$2,400,000.

² The remainder of the May 21, 2009 Variance Order would expire according to the schedule set forth therein.



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of the equipment from these 6 MCCs. The remainder cannot be moved until it is reconstructed or demolished.

By granting this request, IOSHA will allow ADM to reallocate the \$550,000 to be used toward the new construction. These 6 MCCs currently have "Glastic" shielding making the area safe, as it has been since the beginning of the variance, and all employees wear appropriate personal protective equipment. Thus, employee safety will not be compromised in any way by granting this request. In fact, one of ADM's Safety Teams, consisting of hourly operators, maintenance and contractors, recently expressed concern about the Company spending \$550,000 to upgrade MCCs that are going to be demolished by 2023. The Safety Team agrees that safety will not be compromised by permitting the MCCs to remain in place until 2023, and would also prefer to see the \$550,000 spent on construction of the new milling department.

In addition to discussing this request with the Safety Team as described above, ADM has also informed affected employees of this request by posting it in the workplace where important documents are normally posted for employee review.

Please contact me at (563) 241-1786 (office) or (563) 249-6818 (mobile) if you have any questions or concerns, or if I can provide any additional information.

Respectfully,

AJ Steines

Health & Safety Manager

ADM Clinton Corn Processing

Chester J. Culver, Governor
Patty Judge, Lt. Governor
David Neil, Labor Commissioner



Smart. Results.

Division of Labor Services

May 22, 2009

David E. Jones Ogletree, Deakins, Nash, Smoak & Stewart, P.C. 191 Peachtree Tower 191 Peachtree Street, NE, Suite 4800 Atlanta, Georgia 30303

RE: Variance Order for ADM - Clinton

Dear Mr. Jones

Please find enclosed a Variance Order from the Labor Commissioner for the State of Iowa. If you have any questions, please do not hesitate to contact this office.

Sincerély,

'Gail Sheridan-Lucht

Attorney for the Labor Commissioner

Enclosure CC: CF 96



STATE OF IOWA

IOWA WORKFORCE DEVELOPMENT DIVISION OF LABOR SERVICES

In the matter of the application of Archer Daniels Midland Company (ADM) from the Iowa Occupational Safety and Health (IOSHA) Standards.

BACKGROUND. On April 24, 2009, Archer Daniels Midland Company, Corn Processing Division, 1251 Beaver Channel Parkway, Clinton, Iowa 52732, made application for a Variance from the IOSHA standard 1910.303(g)(1)(i)(A) as adopted by a reference in IAC 875 Chapter 10. Notice and a copy of the application was served upon the employees by posting the application in its workplace in a location where important documents are normally posted for employee review, and a copy of the application was placed in the office of the safety and security manager. The employees were informed of their right to petition the Commissioner of Labor for a hearing in the matter of the variance application. No request for a hearing or written comments has been received.

<u>FACTS.</u> Applicant is a corn processing plant located in Clinton, Iowa. The standard from which the variance is sought provides: 1910.303(g) 600 Volts, nominal, or less. This paragraph applies to electric equipment operating at 600 volts, nominal, or less to ground. [§1910.303(g)]

- (1) Space about electric equipment. Sufficient access and working space shall be provided and maintained about all electric equipment to permit ready and safe operation and maintenance of such equipment [§ 1910.303(g)(1)]
 - (i) Working space for equipment likely to require examination, adjustment, servicing, or maintenance while energized shall comply with the following dimensions, except as required or permitted elsewhere in this subpart: [§1910.303(g)(1)(i)]
 - [A] The depth of the working space in the direction of access to live parts may not be less than indicated in Table S-1. Distances shall be measured from the live parts if they are exposed or from the enclosure front or opening if they are enclosed; [§1910.303(g)(1)[A]]

TABLE S-1-MINIMUM DEPTH OF CLEAR WORKING SPACE AT ELECTRIC EQUIPMENT, 600 V OR LESS

	Minimum clear distance for condition ²³								
Nominal voltage to ground	Condition A		Condition B		Condition C				
_	m	ft	m	fì	m	ft			
0-150 151-600	10.9 10.9	13.0 13.0	10.9 1.0	¹ 3.0 3.5	0.9 1.2	3.0 4.0			

Notes to Table S-1:

Condition B - Exposed live parts on one side and grounded parts on the other side.

Condition C - Exposed live parts on both sides of the work space (not guarded as provided in Condition A) with the operator between.

³Working space is not required in back of assemblies such as dead-front switchboards or motor control centers where there are no renewable or adjustable parts (such as fuses or switches) on the back and where all connections are accessible from locations other than the back. Where rear access is required to work on deenergized parts on the back of enclosed equipment, a minimum working space of 762 mm (30 in.) horizontally shall be provided.

Applicant proposes and the Labor Commissioner accepts the following as conditions for the granting of the requested variance:

- 1. Within 10 years from the granting of this variance application, Applicant will remove or reconstruct all of its MCC's with nominal voltage to ground of between 151-600 volts listed in Appendix "A" hereof, which have working clearances of 30" or more but less than 36", to ensure compliance of those MCC's with the applicable minimum clear distances set out in Table S-1. Upon such completion of the removal or reconstruction of the MCC's listed in Appendix "A," or upon the expiration of the 10-year period, whichever occurs first, and upon application by the Applicant, affected employees, or the Labor Commissioner on the Labor Commissioner's own motion, the variance requested herein shall be revoked in the manner prescribed for its issuance under Iowa Code 88.5(6).
- 2. Within three months from the granting of this variance application, Applicant will install insulating sheeting between face-to-face lineups across an aisle that will cover exposed live parts in the MCC's, and will install a nonconductive fiberglass covering made of "Glastic" or other comparable electrical insulating material on a wall or conductive (grounded) surface on a wall facing a line-up, for the MCC's listed in Appendix "A" hereof.

The insulating sheeting will be made of a clear, 40 mil thick, 7.5Kv insulating polyvinyl chloride plastic that the manufacturer has tested and warranted to meet the specifications set out in ASTM F:1742-03, Standard Specification for PVC

¹ Minimum clear distances may be 0.7 m (2.5 ft) for installations built before April 16, 1981

² Conditions A, B, and C are as follows:

Condition A - Exposed live parts on one side and no live or grounded parts on the other side of the working space, or exposed live parts on both sides effectively guarded by suitable wood or other insulating material. Insulated wire or insulated bus bars operating at not over 300 volts are not considered live parts.

Insulating Sheeting. Each installation of insulating sheeting will be large enough to extend from the top to the bottom of the MCC facing the MCC being worked upon, and to cover at least the MCC vertical runs on either side of the MCC opposite the MCC being worked upon. A trolley system will be installed on top of and joining facing MCCs to enable the worker to move the insulating sheeting into position along the trolley system, across the aisle from the MCC being worked upon, to effectively cover the facing MCCs. The insulating sheeting will be installed in the manner illustrated in Figure 1 below, Typical Insulating Sheeting Installation.

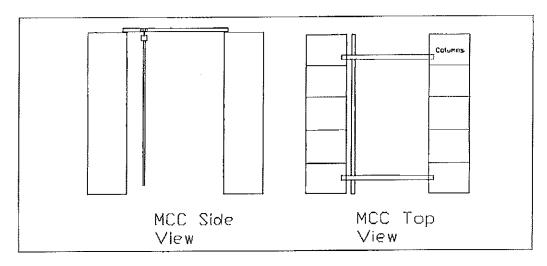


Figure 1 Typical Insulating Sheet Installation

0. 15 g

- 3. Within nine months from the granting of this variance application, Applicant will install insulating sheeting, and "Glastic" or other comparable electrical insulating material, as described above, for the MCC's with nominal voltage to ground of between 151–600 volts listed in Appendix "B" hereof, which currently have 36" or more clearance, which will render the 3.0-foot minimum clear distance requirement of Condition A of Table S-1 applicable to these MCC's and establish compliance therewith.
- 4. Within four years from the granting of this variance application, Applicant will remove or reconstruct all of its MCC's with nominal voltage to ground of between 151–600 volts listed in Appendix "C" hereof, which currently have less than 30" of working clearance, to ensure compliance of those MCC's with the applicable minimum clear distances set out in Table S-1.
- 5. Applicant will provide the IOSH Administrator ("Administrator") with semiannual written reports on its progress in performing the measures set out in numbered paragraphs 1-4 above, to include photographs of a representative sample of completed installations and removed or reconstructed MCC's, with the first such report being due six months from the granting of this variance request.

- Applicant will continue to file these reports for 10 years or until the measures set out in numbered paragraphs 1-4 have been completed, whichever occurs first.
- 6. Applicant will inspect the insulating sheeting it installs at periodic intervals that are established based upon prevalent conditions in the area of insulation, and, if necessary, clean, replace, and perform preventive maintenance upon the sheeting.

+5 4)

- 7. Applicant will inform all qualified persons working in areas where the insulating sheeting is installed of the need to report to appropriate management authority any insulating sheeting or its associated trolley equipment that is torn or otherwise damaged in a manner that would substantially impair its ability to function as intended. Applicant will ensure that any such insulating sheeting or equipment is repaired or replaced, as appropriate.
- 8. Only persons who are qualified or escorted by qualified persons will be allowed to enter MCC rooms where there are exposed energized parts.
- 9. Applicant will continue utilizing its existing detailed electrical safety training programs [ADM Clinton Electrical Level 1 (Basic); ADM Clinton Electrical Level 2 (Modified); ADM Clinton Electrical Level 2; and ADM Clinton Electrical Level 3], which include both classroom and hands-on presentation of information. This training will be augmented by instructing all qualified persons working in areas where the insulating sheeting is installed on how to utilize the insulating sheeting prior to their required use thereof, and on the requirement to report damaged sheeting or related components as discussed in Condition 7, above.
- 10. Applicant will ensure that its Plant Electrical Safety-Related Work Practices Program stays in compliance with applicable OSHA standards and continues to adhere to the prescriptions of NFPA 70E.
- 11. Applicant will ensure that new MCC installations in the plant will have at least the working clearances required by Table S-1.
- 12. Applicant will ensure that any future, major modifications that are undertaken in any of the MCC rooms currently having noncompliant working clearances will include providing at least the minimum clear distances required by Table S-1 in effect at the time the major modifications are performed. A future major modification for the purposes of this variance application is any structural change in an MCC room that would alter the configuration of an MCC having working clearances that are noncompliant with the minimum clear distances set out in Table S-1. It would be difficult to formulate exhaustive lists of structural changes constituting, or not amounting to, a future major modification. Examples of a structural change constituting a future major modification, however, are moving an MCC lineup and extensive re-wiring of an MCC line-up. Activities that would not constitute a structural change include the following: adding new buckets to an

existing MCC lineup; rewiring or installing a control system within a bucket; performing emergency repairs to an MCC lineup, such as replacing a bus to restore service; and adding an inverter, junction box, or other such equipment.

- Applicant will continue to use its best efforts to ensure that its qualified employees are provided with and wear the appropriate personal protective equipment specified in its Plant Electrical Safety-Related Work Practices Program, as prescribed by NFPA 70E, for the purpose of protecting those employees from the hazards of both electrical shock and electrical arc and blast. Any failure to utilize the required personal protective equipment will subject responsible employees to the imposition of appropriate disciplinary action, with sanctions ranging from and through a verbal warning, written warning, an unpaid suspension, or possible termination from employment for a qualifying offense, under the terms of the ADM Clinton Plant Human Resource Corrective Action Procedure.
- 14. Applicant agrees to consent to representatives of the Administrator entering the subject plant at reasonable times and in a reasonable manner to verify the status of actions taken with respect to the conditions imposed pursuant to the granting of this variance application, without requiring the Administrator to obtain a warrant for the making of any such entry.

<u>DECISION</u>. The primary purpose of the standard from which the variance is sought is to provide protection to employees by assuring that Archer Daniels Midland Company has proposed a method of operation which would provide satisfactory protection for the employees which is at least as effective as compliance with the requirements of the standard 1910.303 (g)(1)(i)(A). Archer Daniels Midland Company's proposed method of compliance would be as effective as compliance with the standard.

ORDER. Therefore, it is ordered pursuant to the authority of Iowa Code 88.5(6) (2009), that Archer Daniels Midland Company's request for a variance from 1910.303 (g)(1)(i)(A) is hereby granted.

Dated this 21 day of May, 2009.

Labor Commissioner